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MUSIC RAST/AFRICA BRANCH

OF VIEW OF REPORTS AND ESTIMATES

CORRECTAL INTELLEMENCE AGENCY

WORSING PAPER

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NEAR EAST/AFRICA BRANCH

INTELLIGENCE SUMMARY

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For Week Ending 22 June 1949

GREECE

Impending labor difficulties: Major labor problems may soon occupy the attention of the Greek Government. The government's stopgap agreement with the civil servants on wage and price difficulties reached in April is about to end, and Greek labor generally sees that the various promises to produce a salary readjustment by I July show no sign of materializing. The greatly reduced value of Greek wages makes it politically unsafe for Greek labor, political, or government leaders to put off finding a definitive solution for the problem. Inasmuch as the government, which has already reached the point of diminishing returns in regulative machinery, could offer little except frankly inflationary measures or another stopgap formula, the Greeks will probably try to make ECA/Greece bear much of the onus for finding, or for failing to find, a long-range settlement. Consequently, although strikes and recriminations will certainly contribute to local political instability, the brunt of the problem will probably have to be borne directly by the US.

URKEY

Collective security: Months of Turkish prodding have finally resulted in a French note acknowledging that France is still bound by its 1939 security alliance with Turkey and the UK. This seems to be about all the Turkish Government can accomplish for the moment in strengthening Turkey's collective security position; the UK has already profferred similar reassurances on several occasions since the end of the war, while the US, during Foreign Minister Sadak's trip to Washington last month, firmly reiterated its direct interest in Turkey's continued stability and independence. Eventually, however—although probably not until sometime after the Atlantic Treaty has been ratified—the Turks may again seek more definite commitments from the Western powers on the subject of collective security. The Turkish approach may take the form of a proposal to extend the "North Atlantic" treaty area eastward across the Mediterranean, or it may involve a renewed effort to conclude some separate but correlated local agreement, supported at least by the US. As a related or substitute proposal,

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the Turks may well propose a re-definition of the tripartite agreement newly reaffirmed by France. The agreement—which includes the stipulation that Turkey cannot be required to take any action judged inimical to the USSR—was drawn up on the basis of the situation at the start of World War II and is ill-suited for use in present or foreseeable future circumstances.

ARAD STATES

Unessiness in high places: Colonel Zaim's internal reorganization in Syria continue to have an unsettling effect on Syria's neighbors. The Lebanese Government, evidently fearful that its domestic opposition may emulate the Syrian dictator, has now arrested a number of members of the Syrian Popular Party, which advocates unification of the Arab states, although there appears to be no justification for the government's charges that those arrested were planning the overthrow of the regime. Iraq has also manifested nervousness over a neighbor who has countered Iraqi aspirations for a Haghdad-dominated Fertile Crescent by creating the ogre of a resurgent Syrian nationalism. Prime Minister Nuri al-Said has not only expressed unwillingness to accept the results of the forthcoming Syrian presidential elections (in which Laim's success is a foregone conclusion) but has also gone so far as to mass Iraqi troops along the Syrian border. These manifestations of the Arab world's sensitivity to any disturbance of the status quo play directly into the hands of the Israelis. The concentration of Iraqi troops against Syria, in particular, leaves Syria more vulnerable than ever to attack by the recently reinforced Israeli troops in the still-disputed Mishmar hay Yarden sector.

MAM

Merger aftermath: The Shah is apparently trying to make the recent gendarmerie-army merger more palatable to his critics, who consider the merger tantamount to abolishing the gendarmerie. The Shah has given assurance that the capable chief of the gendarmerie will not be retired, and he has agreed to develop an "clite" gendarmerie which will retain full police powers in carrying out the instructions of the civilian ministries. He has also suggested that a planning group be set up consisting of senior Iranian Army officers and senior US officers on the Gendarmerie



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as well as the Army Mission to meet regularly with him. Although these efforts by the Shah to make amends may foreshadow slight modifications in the merger, they are probably calculated primarily to evokefrom the US, which discouraged the merger move, a sympathetic reception to the recent Iranian request for substantial direct aid.

NOTED IN BRIEF

The Turkish Government has indicated its determination to retain tight control over internal security, despite the efforts to strengthen Turkish democratic institutions now going on, by the amendments to the Turkish Penal Code which it has now proposed. Designed for use against extreme rightists and leftists, the amendments are very broadly defined; among the offenses listed is that of spreading progaganda for such purposes as "upsetting the country's economic system," "endangering basic social principles," or weakening "the feeling of national unity."

The Turkish authorities have called upon the rmenian community to elect a new patriarch for the Gregorian Church in Turkey. The present acting patriarch has been involved in acrimonious disputes with other elements in the church, and the government obviously wants to forestall interference on the part of the supreme head of the church, who is resident in Etchmiadzin, USSR.

The UN's short-range Arab refugee activities, which it was hoped would run for the rest of 1949, may have to be halted by 1 October for lack of funds, according to UN Relief Director Griffis. Although the US has authorized an \$8 million Arab relief allocation (in addition to the \$8 million already provided), the enabling legislation now pending makes the use of half this amount contingent on the discharge of their relief commitments by other contributing nations—a point which is now in doubt. The UN refugee relief authorities are now providing a meagre diet of 1,800 calories a day to more than 800,000 refugees, at an average cost of \$2 a month per person.

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The USSR, one month after agreeing to close its consulates in Iran, has reportedly shut down its posts at Ardebil, Rezaich, and Kermanshah. Of the eight remaining, some will probably remain open until after the lone Iranian consulate in the USSR at Eaku has been closed in accordance with the reciprocal arrangement.

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